



General Assembly

February Session, 2014

Committee Bill No. 80

LCO No. 1770



Referred to Committee on PUBLIC SAFETY AND SECURITY

Introduced by:
(PS)

AN ACT PROHIBITING INTERNET SWEEPSTAKES CAFES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 42-295 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2014*):

3 As used in sections 42-295 to 42-300, inclusive, and section 2 of this
4 act:

5 (1) "Advertise" means the use of the media, mail, computer,
6 telephone or personal contact to offer: (A) [to] To a specifically named
7 person the opportunity to participate in a sweepstakes and such offer
8 represents that (i) such person has been awarded a prize, (ii) such
9 person will be awarded a prize, or (iii) there is a strong likelihood, as
10 determined pursuant to regulations adopted by the Commissioner of
11 Consumer Protection in accordance with chapter 54, that such person
12 will be awarded a prize; or (B) a game of skill and such offer represents
13 that (i) a participant will be awarded a prize, or (ii) there is a strong
14 likelihood, as determined pursuant to such regulations, that a
15 participant will be awarded a prize;

16 (2) "Consumer product" means any article used primarily for
17 personal, family or household purposes;

18 (3) "Person" means an individual, corporation, association,
19 partnership or any other entity;

20 (4) "Prize" includes, but is not limited to, an award, gift certificate,
21 travel coupon or anything else of value regardless of whether there are
22 any conditions or restrictions attached to the receipt of the prize that is
23 separate and distinct from the goods, services or property promoted
24 by the sponsor and that is offered or awarded to a participant in a
25 sweepstakes or a promotional drawing;

26 (5) "Promoter" means a person conducting a sweepstakes or a
27 promotional drawing on behalf of a sponsor;

28 (6) "Simulated check" means a document which looks similar to a
29 check but is not currency or a check, draft, note, bond or other
30 negotiable instrument;

31 (7) "Sponsor" means a person on whose behalf the sweepstakes or
32 promotional drawing is being conducted to promote or advertise
33 goods, [or] services or property of that person;

34 (8) "Sweepstakes" means a legal contest, competition, scheme, plan
35 or game that (A) is conducted by a sponsor or promoter for advertising
36 or promotional purposes related to the sale of a product, service or
37 property where a prize is distributed by lot or by chance, and (B) does
38 not require a permit or license to operate in the state;

39 (9) "Verifiable retail value" means: (A) A price at which a substantial
40 number of the prizes have sold at retail in the local market no earlier
41 than one year prior to the advertisement of the sweepstakes by a
42 person other than the promoter or sponsor; (B) if the prize is not
43 available for retail sale in the local market, the retail value of an item
44 substantially similar to the prize in quality, quantity, grade and utility;
45 or (C) if the value cannot be established under subparagraph (A) or (B)

46 of this subdivision, no more than three times the cost of the prize to the
47 promoter or sponsor; [and]

48 (10) "800 number" means a prefixed telephone number for which no
49 charge is assessed;

50 (11) "Simulated gambling device" means any mechanically,
51 electrically or electronically operated machine, network, system or
52 device that is intended to be used by an entrant to a sweepstakes or a
53 promotional drawing and is capable of displaying a simulated
54 gambling display on a screen or mechanism; and

55 (12) "Simulated gambling display" means visual or aural
56 information that takes the form of actual or simulated gambling or
57 gaming play, including, but not limited to, a video poker game or any
58 other kind of video playing card game, a video slot machine, a video
59 game based on or involving the random or chance matching of
60 different pictures, words, numbers or symbols, a video bingo game, a
61 video craps game, a video keno game or a video lotto game.

62 Sec. 2. (NEW) (*Effective July 1, 2014*) (a) No person shall conduct or
63 promote a sweepstakes or a promotional drawing authorized by the
64 provisions of section 53-278g, as amended by this act, of the general
65 statutes that (1) is not related to the bona fide sale of a product, service
66 or property, or (2) uses a simulated gambling device.

67 (b) Any person who violates the provisions of this section shall be
68 subject to the penalty for professional gambling, as provided in
69 subsection (b) of section 53-278b of the general statutes.

70 (c) Any simulated gambling device used in a sweepstakes or a
71 promotional drawing shall be deemed a common nuisance and be
72 subject to seizure, as provided in section 53-278c of the general
73 statutes.

74 (d) Any premises used for a sweepstakes or a promotional drawing
75 in violation of the provisions of this section shall be deemed a common

76 nuisance and shall be subject to the provisions in section 53-278e of the
77 general statutes.

78 Sec. 3. Subsection (a) of section 53-278g of the general statutes is
79 repealed and the following is substituted in lieu thereof (*Effective July*
80 *1, 2014*):

81 (a) Nothing in sections 53-278a to 53-278g, inclusive, as amended by
82 this act, shall be construed to prohibit the publication of an
83 advertisement of, or the operation of, or participation in, a state lottery,
84 pari-mutuel betting at race tracks licensed by the state, off-track betting
85 conducted by the state or a licensee authorized to operate the off-track
86 betting system, [or] a promotional drawing for a prize or prizes,
87 conducted for advertising purposes by any person, firm or corporation
88 other than a retail grocer or retail grocery chain, wherein members of
89 the general public may participate without making any purchase or
90 otherwise paying or risking credit, money, or any other tangible thing
91 of value or a sweepstakes conducted pursuant to sections 42-295 to 42-
92 300, inclusive, as amended by this act, and section 2 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2014</i>	42-295
Sec. 2	<i>July 1, 2014</i>	New section
Sec. 3	<i>July 1, 2014</i>	53-278g(a)

Statement of Purpose:

To prohibit the operation of Internet sweepstakes cafes and to protect the state gaming revenues.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: SEN. BARTOLOMEO, 13th Dist.

S.B. 80